AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
J	1 | 8

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO.(If applicable)
0003	30-Dec-2004	W16ROE-4306-5043	

6. ISSUED BY	CODE	7. ADMINISTERED BY (If other than item 6)	CODE
USA ENGINEER DISTRICT, NEW YORK ATTN:CENAN-CT ROOM 1843 26 FEDERAL PLAZA NEW YORK NY 10278	W912DS	**See Item 6**	

8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)		
	X	9A. AMENDMENT OF SOLICITATION NO. W912DS-05-B-0003
	X	9B. DATED (SEE ITEM 11) 01-Dec-2004
		10A. MOD. OF CONTRACT/ORDER NO.
		10B. DATED (SEE ITEM 13)
CODE / FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer [X] is extended, [ ] is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

[ ] A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

[ ] B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).

[ ] C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

[ ] D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor [ ] is not, [ ] is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. To extend the bid opening date from 04 Jan 05 at 1300 hours local time to 11 Jan 05 at 1400 hours local time;
2. To provide a revised Memorandum for Record associated with the Dredging Industry Air Workshop, and the corresponding questions and answers.

NOTE: OFFERORS MUST ACKNOWLEDGE RECEIPT OF THIS AMENDMENT BY THE DATE SPECIFIED IN THE SOLICITATION (OR AS AMENDED) BY ONE OF THE FOLLOWING METHODS: IN THE SPACE PROVIDED ON THE SF1442, BY SEPARATE LETTER, OR BY TELEGRAM, OR BY SIGNING BLOCK 15 BELOW. FAILURE TO ACKNOWLEDGE AMENDMENTS BY THE DATE AND TIME SPECIFIED MAY RESULT IN REJECTION OF YOUR BID IN ACCORDANCE WITH THE LATE BID, LATE MODIFICATIONS OF BIDS OR LATE WITHDRAWAL OF BIDS (FAR14.304).

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) TEL: EMAIL:	
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED 30-Dec-2004

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

SECTION SF 30 - BLOCK 14 CONTINUATION PAGE

The following have been added by full text:
AMENDMENT 0003 - INFO

Amendment No.3

Bid opening date, originally scheduled for 4 January 2005 at 1:00 P.M. is hereby changed to 11 January 2005 at 2:00 P.M., local time

The following questions and answers are provided for information only. Nothing contained below amends or revises any provision of the solicitation

Questions and Answers

The New York District has received questions about the contract and made corrections to the Memorandum for Record (MFR) that was provided in amendment 2.

Provided below is the **revised** Memorandum for Record (MFR); Dredging Industry Air Conformity Workshop and S-KVK-2 Emission Calculator Introduction, December 13th, 2004, 10a.m. – noon 290 Broadway, EPA conference room 27A

USACE-New York District

Memorandum for Record
Dredging Industry Air Conformity Workshop and S-KVK-2 Emission Calculator Introduction
December 13th, 2004, 10a.m. - noon
290 Broadway, EPA conference room 27A

I. Introduction:
Tom Shea, Project Manager from the Corps. Shea introduced the USACE-NYD and Port Authority (PA) team members to the dredging community; names of representatives are on the attendee list (see attached).

Steve Dorrler, of the Port Authority: Dorrler stated that the Port is 100% behind the air mitigation efforts developed in the HAMP (Harbor Air Management Plan)..

Steve Weinberg Project Engineer of the Corps: Weinberg described the project, displaying maps of the S-KVK-2 contract area. Weinberg reviews the contract reach history. The channel is being deepened to allow for newer and larger container ships Over 2.5 million cubic yards (cy) of material will be dredged for this contract. Of the 2.5 million cy, 140,0000 cy are unsuitable for ocean placement. 3,500 cubic yard +/- of rock may be used at a new artificial reef. The balance will go to HARS or the Axel Carlson Reef. Dredge materials include: silt, till, clay and rock. The duration of the contract is approximately ~2 years.

The Port purchased air quality units (AQU) for use in achieving conformity for this deepening project. The availability of air quality units is one of the factors that drive the dredging schedule. There are limits to the amount of emissions that can be emitted for each year of the project. In 2005, the limit is set at 195 tons, in 2006 the limit is 240 tons, and in 2007 the limit is 90 tons. The limits/tons allocated are based on the likely dredging schedule and on available air quality units. Emission data will need to be submitted on a monthly basis. In-service measurements will validate future contracts.

II. Air Emission Limits and General Conformity Background
Bruce Anderson, Starcrest.
Anderson reviewed the basics of General Conformity (GC). GC came out of the 1990 Clean Air Act Amendments and was promulgated in 1994. GC is designed to ensure that the federal government does not take actions that would interfere with a state's air quality plans. Examples of a federal action include issuing a permit, building a new facility or; fully/partially funding a project. Although the Clean Air Act is a federal regulation, each state is in charge of developing implementation plans to ensure clean air act compliance, these plans are called SIPs (State Implementation Plans) for non-attainment areas. Air quality standards are called National Ambient Air Quality Standards (NAAQS). The NAAQS are set by the federal government and the states are responsible for meeting them. It is the responsibility of the Federal Government to ensure that its actions do not derail SIPs.

There are two types of conformity, General Conformity and Transportation Conformity. Transportation Conformity applies to federally funded projects affecting on-road vehicles (e.g., highway projects/Federal Highway Administration funded). General Conformity applies to everything else, including the nonroad mobile sources used on this project. This project falls within the New York- New Jersey- Long Island Non-attainment Area (NYNJLINA). The areas of concern are the counties listed in the definition of the non-attainment area out to three nautical miles off the coast. This project is expected to trip the oxides of Nitrogen (NOx) trigger levels for the non-attainment pollutant ozone (NOx is a precursor pollutant for ozone formation.) The GC trigger levels for ozone precursors for the NYNJLINA are 25 tons per year (tpy) for NOx and/or 25 tpy for Volatile Organic Compounds (VOCs).

In 2001, the Corps needed to demonstrate how the Federal Action would meet General Conformity for the record of decision (ROD) to be signed. The Regional Air Team (RAT), an interagency team, was then formed to help the Corps and Port Authority achieve conformity for this project. The RAT consists of representatives from the Corps, Port, New York State Department of Environmental Conservation (NYSDEC), New Jersey Department of Environmental Protection (NJDEP), New Jersey Department of Transportation (NJDOT) and New York City Department of Transportation (NYCDOT).

III Emission Calculator Instructions and Features

Joe Ray, Starcrest.

Mr. Ray reviewed the emission summary sheet, instruction and input forms for the calculator. For dredging – all engine types, over 25 horsepower, will be tracked. Dredge information in the calculator will include: engine type/horsepower/annual hours of operation/and emission control technology effectiveness (if any). Additional information, such as detailed operating hours records and fuel consumption rates, will be recorded by the dredger and submitted to the Corps on log sheets that have been developed for this purpose. Dredge transit emissions will be included from the dredge site to the 3-mile boundary. The potential dredging emissions are capped at limits mentioned above.

Two types of data sheets will be submitted monthly: Dredges/associated engines and vessel engines. A version of the calculator will be submitted monthly, updating each submittal with current year-to-date operating hour information. The estimated number hours of use on a per year basis should also be included.

Calculator: Simplified tier levels (i.e. there is a pick list where you can choose standard engines or tier 2 off-road or marine engines). Engine tiers are based on EPA tiers. Example: a standard engine may get a rating of 9.7 tons, a tier I may be rated at 6.9 tons, and a tier II may rate even better.

The spreadsheet calculations involve horsepower and load factor assumptions. The in-use testing will help determine if appropriate load factors and emission factors were initially used in the calculations. Adjustments will be made to future contracts but not to the current contract. Future emission estimates will be improved based on the information gleaned from calculator and data log submissions and limited source testing associated with this first contract, S-KVK-2.

The testing will consist of a service test that will take 3-7 days. The test will be coordinated upfront with the selected bidder so that tests can be set up during scheduled downtimes. RAT members may wish to observe. Other dredging projects are upcoming, so consider using emission control technologies/strategies in the future. Control technologies certified by CARB/EPA can be used without testing and verification of emission reductions. Any contractor using such certified technology will be credited the emission reductions assigned to it through the certification process. Non-certified technologies must be verified as to actual emissions, if any. The RAT will review non-certified technologies such as SCRs on a case-by-case basis. One example of an alternative strategy is replacing older engines with certified newer lower-emission engines. The Port tug repower program produced significant NOx reductions. The Port looked into electrification but it proved too expensive. Other areas came up with operational strategies such as phasing. Retrofit technologies must be verified. If the technology isn't verified, the technology/air compliance strategy must be submitted to the RAT with supporting data/information. The RAT/EPA will develop a monitoring program to quantify emission reductions for any new effective technologies that could be used on this project. On the Corps website is the comprehensive initial findings report with lists of potential ideas. Control technologies used can be inputted into the spreadsheet in the top left corner.

The Corps is insisting that for the first contract the dredgers use a consultant to assist in filling out he calculator and for quality control.

IV Question/Answer Period
NYD/Starcrest

Q1. Will existing contracts (i.e. AKI, AKII, PJII) be subject to these conformance requirements?
A1. No.

Q2. Why are the NOx limits in 2005 lower than in 2006?
A2. Because 2006 is a full year's worth of work, whereas 2005 is a partial year as NTP will not be until after January 1st.

Q3. Question about definition of engine/tiers/tier levels.
A3. See first tab of the calculator – *see below:*

Nonroad engines - on dredges and barges or used on land
Marine engines - propulsion and auxiliary engines on vessels such as towboats and crewboats

Standard nonroad engine	Engines manufactured before 1996.
Tier 1 nonroad engine	Engines manufactured after 1996 (but before TIER 2).
Tier 2 nonroad engine	See **implementation schedule** below
Tier 3 nonroad engine	See **implementation schedule** below
Standard marine engine	Marine engines manufactured before 2007
TIER 2 marine engine	Marine engines manufactured in 2007 or later

Implementation Schedule for Nonroad Engines

If engine is in this horsepower range	and this model year or later	then the engine is a	unless the engine is in this model year or later	
300 - 600	2001	Tier 2	2006	Tier 3
600 - 750	2002	Tier 2	2006	Tier 3
100 - 175	2003	Tier 2	2007	Tier 3
175 - 300	2003	Tier 2	2006	Tier 3
25 - 100	2004	Tier 2	2008	Tier 3
> 750	2006	Tier 2		(no Tier 3 standard for >750 hp engines)

Q4. At what point in the calculator review process will the corps award the contract? Will the calculator be reviewed prior or post award?
A4. Prior, please see 01135-1.4 of the Specifications

Q5. Can the Corps reject an apparent low bidder based on unreasonably high production rates being used to stay within the annual limit? E.g. if 100 hours are put as the number of hours when it is clear to everyone involved that the project will not be dredged in 100 hours?
A5. Yes. The Corps has done similar reviews in the past, when reviewing production rates and responsibility determinations as it relates to the Contractor's ability to maintain schedule.

Q6a. When a contractor exhausts the annual budget and updated forecasts demonstrate it is clear that they

won't be able to finish the project within the last year's budget will the Corps allocate more credits to the subsequent years to facilitate project completion?
A6a. When a dredger exhausts the budget, he/she must stop work or find other air quality units. Part of the reason why submittals are monthly is to work with the dredger ahead of time to ensure this scenario is avoided before it happens.

Q6b. Presuming the answer to 6a is no, doesn't the total budget of emission provided a "not to exceed" number of dredge days, effectively removing the contractor's requirements to finish the job?
A6b. No, the contractor is expected to live within the terms of the contract and the law

Q6c. Would a contractor who is stopped be charged LDs?
A6c . Yes. This is no different than if a contractor is stopped because he's run into an environmental window, or a legal violation.

Q7a. Why not provide a financial incentive to contractors to reduce emissions, thereby addressing the problem at the source rather than allowing the dredges to emit and reduce other area sources?
A7a. When producing the Harbor Air Management Plan (HAMP), reducing other mobile source emissions (ferries) proved to be the most cost-effective and provided long-term air quality benefits to the region. Even if every emission reduction technology were used on the sources of emission for this project, the trigger level would still be triggered. In any scenario air quality units would be needed.

Q.7b. If other large scale deepening projects are requiring electric dredges why not New York?
A7b. The Corps is not requiring electrification for this project, but if a contractor can use an electric dredge and find a power source to make this feasible within safety requirements, the Copes will submit the proposal to the RAT for technical review.

Q8. If a Selective Catalytic Reductor (SCR) is used, how will the Corps ensure that it is operated and achieves the actual reductions in daily practice that it did on the day of the source test?
A8. The SCR, being an unverified technology, would have to be approved by the state agencies and the EPA. After such approval, the RAT would include a monitoring plan to quantify emission reductions.

Q9. For towboats, the reported and data logged hours will just be inside the limit?
A9. As long as the duty cycle is representative, the Corps will not be overly concerned where the towboats are while data is being logged. It is, though, important that the emissions themselves only count toward the contract cap within the nonattainment area. If actual emissions are higher than estimates, the Corps will not penalize for the 1st contract but lessons learned will apply to future contracts.

Q10. What is the status of the ferry SCRs?
A10. The Port reported that the Alice Austen is installed with an SCR and validation is coming up in February 2005. The noble is next on the schedule in 2005 and then in 2007 the Barberis come online. The Newhouse may move up in the schedule to early '05. Pre-installation testing of the Alice Austen showed its emissions to be 85% of what was originally anticipated. As the Austen and Noble are smaller ferries that are only occasionally used they do not provide as many air quality units. Baseline monitoring of the ferries is complete. Air quality units were originally based on the inventory numbers but have been updated with the baseline monitoring data. There are other air quality units such as the KVK 5 tugs and Proctor & Gamble shutdown credits.

Q11. Group is shown an example with plug-ins.

Q12. Request to show the calculations Corps used to come up with the annual budgets for S-KVK-2
A12. The Corps cannot share the calculations as they relate to the Government Estimate.

Q13a. Is there a database of emission offset suppliers?
A13a. The Corps does not know of any air quality units or credit source other than the Port. If a dredger finds other air quality units, each state agency and EPA will need to approve these air quality units.

Q13b. Is the contractor responsible for supplying all the testing equipment and data loggers?
A13b. No

Q14. What if contractors buy clean buses?
A14. If the buses were not otherwise required & the reduction is measurable, it may be considered by the RAT as an appropriate offset. The Port noted that there are also requirements that repowered vehicles stay in the non-attainment area. They have a penalty clause in their tug repowering contracts that require the repowered tug spend 90% of its time in the non-attainment area.

Q15. The spec discusses the data loggers in terms of the dredge, but the discussions have also discussed towboats. Is there a possibility of the data loggers being required on non-dredge equipment?
A15. The monitoring efforts will be focused on the dredges but could include towboats as well if review by the RAT indicates such equipment needs testing.

Q14. Bid opening is 4 January 05. How fast can the RAT review and approve technology?
A14. The RAT will provide a response to submittals within a fourteen-day period, but approval of any technology will require actual verification through field monitoring and the contractor's risk. I.e. if monitoring does not substantiate the emission reduction claim the contractor will still be held to the schedule and the cost of original bid.

Q15. How will the information from the data loggers be used?
A15. To make adjustments in the calculator for future contracts, in particular, to evaluate emission factor and load factor assumptions.

Q16. Can bidders get the backup from the EPA the data used to generate the limits?
A16. The limits were generated by the Corps and its A/Es. The background was published in the HAMP.

Q17. Repeat of question on data loggers
A17. see previous answers

Q18. If NTP is delayed what happens to the last year's air budget?
A18. Last year's budget may expire as the air quality units do not roll over from one year to another, but if the NTP if delayed beyond what is accounted for in the calculations then a new version of the calculator and limits will be delivered to the dredgers. Furthermore, in the event that allowable delays occur the Government may give due consideration to accommodation for the Contractor.

Q19. Can we provide operational information on PuriNOx?
A19. Discussed meeting last year between PuriNOx's reps and the dredging community. Suggest bidders contact representatives directly: Bill Coughlin, Refining & Supply Sunoco, Inc, 215-977-6824 office, wecoughlin@sunocoinc.com

The Corps had proposed a dredge test of PuriNOx in FedBizOps but did not get receive responses. As a verified additive, use of PuriNOx will result in 20% reduction in emissions (for engines with horsepower greater than 300) without need for monitoring.

Q20. Will credits carryover between years?
A20. The answer is “no” they cannot carryover , but technically they are “air quality units” not “credits”. Credits can be sold whereas air quality units are project-specific.

Q21. Could the use of air air quality units on this contract impact the execution of other contracts?
A21. Lessons learned, and performance monitoring on this contract, will be applied to others. There is a limited pool of air quality units at this time, and potentially changes to this contract’s budget could affect other contracts.

Q22. Why do we require a bidder to have an A/E? The calculator looks pretty straightforward.
A22. This is a new requirement, and it may be more complicated that it appears at first blush. Also, many contractors have modified their engines and this could impact both their horsepower and their tier. Finally, the A/E is not required to fill out the forms, but to certify their accuracy.
The air quality A/E may be able to help read the “Tier level” table in the instructions tab, and could certify that the calculator was filled out with the information provided by the dredger. It would probably take a different A/E to evaluate the effect on horsepower of engine modifications. And, it’s important to note that only the unregulated engines should have been modified . It’s against Federal law to modify (“tamper” with) an emission-controlled engine in any significant way. .

Q23. Since use of PuriNOx may reduce productivity, would a contractor receive more emissions budget to reflect the additional hours required?
A23. No, the Corps is not requiring that the contractors use PuriNOx,. As mentioned using PuriNOx in a vessel with an engine horsepower greater than 300 will result in 20% reduction in emissions. Using PuriNOx will not result in more time being allocated to the schedule for the contract.

Q24. Can actual testing data be used to reduce emissions of specific equipment in the calculator?
A24. The intent is to go to the RAT if new emission control technology was proposed, This would be a situation that could be handled as an emission reduction measure with the percent reduction entered in the reduction column.

SECTION 00010 - SOLICITATION CONTRACT FORM
The required response date/time has changed from 04-Jan-2005 01:00 PM to 11-Jan-2005 02:00 PM.

(End of Summary of Changes)